

items not eligible for license exception, including exports and reexports of encryption technology to strategic partners of U.S. companies (as defined in part 772). For Encryption Licensing Arrangements, the applicant must specify the sales territory and class of end-user. Encryption Licensing Arrangements granted for exports of unlimited quantities for all destinations except Cuba, Iran, Iraq, Libya, North Korea, Sudan or Syria, are valid for four years, and may require reporting. Licenses are required for exports of encryption items to governments, or Internet and telecommunications service providers for the provision of services specific to governments, and may be favorably considered for civil uses, *e.g.*, social or financial services to the public; civil justice; social insurance, pensions and retirement; taxes and communications between governments and their citizens.

[65 FR 2499, Jan. 14, 2000, as amended at 65 FR 62608, Oct. 19, 2000]

#### § 742.16 [Reserved]

#### § 742.17 Exports of firearms to OAS member countries.

(a) *License requirements.* BXA maintains a licensing system for the export of shotguns and related items to all OAS member countries. This action is based on the Organization of American States (OAS) Model Regulations for the Control of the International Movement of Firearms, their Parts and Components and Munitions (OAS Model Regulations) which were developed to assist OAS member countries to implement the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials (Firearms Convention).<sup>1</sup> Items subject to these controls are identified by "FC Column 1" in the "License Requirements" section of their Export Control Classification Number (ECCN) on the Commerce Control List (CCL). If "FC Column 1" of the Commerce Country Chart (Supplement No. 1 to part 738 of the EAR) is indicated for a particular country, a li-

cense is required for export to that destination. Licenses will generally be issued on an Import Certificate or equivalent official document, satisfactory to BXA, issued by the government of the importing country is also required for the export of such items to OAS member countries.

(b) *Licensing policy.* Applications supported by an Import Certificate or equivalent official document issued by the government of the importing country for such items will generally be approved, except there is a policy of denial for applications to export items linked to such activities as drug trafficking, terrorism, and transnational organized crime.

(c) *Contract sanctity.* Contract sanctity provisions are not available for license applications under this § 742.17.

(d) *OAS Model Regulations.* The OAS Model Regulations on which regulations are based are designed by OAS member countries to combat illicit manufacturing of and trafficking in firearms, ammunition, explosives, and other related materials in North and South America because of their links to such activities as drug trafficking, terrorism, and transnational organized crime.

(e) *OAS member countries to which firearms controls under this section apply.* The OAS member countries include: Antigua and Barbuda, Argentina, the Bahamas, Barbados, Belize, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, the United States, Uruguay, and Venezuela.

(f) *Items/Commodities.* Items requiring a license under this section are ECCNs 0A984 (shotguns with a barrel length 18 inches or over and related parts, and buckshot shotgun shells), 0A986 (shotgun shells, and related parts) and 0A987 (optical sighting devices). (See Supplement No. 1 to Part 774 of the EAR.)

(g) *Validity period for licenses.* Although licenses generally will be valid for a period of two years, your ability to ship items that require an Import

<sup>1</sup> Status of Convention as of April 13, 1999 had not entered into force.

Certificate or equivalent official document under this section may be affected by the validity of the Import Certificate or equivalent official document (see § 748.14(f) of the EAR).

[64 FR 17973, Apr. 13, 1999]

**§ 742.18 Chemical Weapons Convention (CWC or Convention).**

States that are parties to the Convention on the Prohibition of the Development, Production, Stockpiling, and Use of Chemical Weapons and on Their Destruction, also known as the Chemical Weapons Convention (CWC or Convention), undertake never to develop, produce, acquire, stockpile, transfer, or use chemical weapons. As a State Party to the Convention, the United States is subjecting certain toxic chemicals and their precursors listed in Schedules within the Convention to trade restrictions. Trade restrictions include: a prohibition on the export of Schedule 1 chemicals to States not Party to the CWC; a prohibition on the reexport of Schedule 1 chemicals to all destinations (both States Parties to the CWC and States not Party to the CWC); license requirements for the export of Schedule 1 chemicals to all States Parties; a prohibition on the export of Schedule 2 chemicals to States not Party to the CWC; and an End-Use Certificate requirement for exports of Schedule 3 chemicals to States not Party to the CWC. Exports of CWC chemicals that do not require a license for CW reasons (e.g., exports and reexports of Schedule 2 and Schedule 3 chemicals to States Parties to the CWC) may require a license for other reasons set forth in the EAR. (See, in particular, the license requirements in § 742.2 of the EAR that apply to exports and reexports of chemicals and precursors controlled by ECCN 1C350, for CB reasons. Also note the end-use and end-user restrictions in part 744 of the EAR and the restrictions that apply to embargoed countries in part 746 of the EAR.)

(a) *License requirements.* (1) *Schedule 1 chemicals under ECCN 1C350 or ECCN 1C351.* A license is required for CW reasons to export or reexport Schedule 1 chemicals controlled under ECCN 1C350.a.20, a.24, or a.31 or ECCN 1C351.d.5 or d.6 to all destinations in-

cluding Canada. CW applies to 1C351.d.5 for ricin in the form of Ricinus Communis Agglutinin<sub>II</sub> (RCA<sub>II</sub>), which is also known as ricin D or Ricinus Communis Lectin<sub>III</sub> (RCL<sub>III</sub>), and Ricinus Communis Lectin<sub>IV</sub> (RCL<sub>IV</sub>), which is also known as ricin E. CW applies to 1C351.d.6 for saxitoxin identified by C.A.S. #35523–89–8. (Note that the advance notification procedures and annual reporting requirements described in § 745.1 of the EAR also apply to exports of Schedule 1 chemicals.)

(2) *Schedule 2 and 3 chemicals controlled under ECCN 1C350, ECCN 1C355, or ECCN 1C995.* (i) *States Parties to the CWC.* Neither a license nor an End-Use Certificate is required for CW reasons to export or reexport Schedule 2 and 3 chemicals controlled under ECCN 1C350, ECCN 1C355, or 1C995.b to States Parties to the CWC (destinations listed in Supplement No. 2 to part 745 of the EAR).

(ii) *States not Party to the CWC.* (A) *Schedule 2 chemicals.* A license is required for CW reasons to export or reexport Schedule 2 chemicals controlled under ECCN 1C350, ECCN 1C355, or ECCN 1C995.b to States not Party to the CWC (destinations not listed in Supplement No. 2 to part 745 of the EAR).

(B) *Schedule 3 chemicals.* (1) *Exports.* A license is required for CW reasons to export Schedule 3 chemicals controlled under ECCN 1C350, ECCN 1C355, or ECCN 1C995.b to States not Party to the CWC (destinations not listed in Supplement No. 2 to Part 745 of the EAR), unless the exporter obtains from the consignee an End-Use Certificate (issued by the government of the importing country) prior to exporting the Schedule 3 chemicals and submits it to BXA in accordance with the procedures described in § 745.2 of the EAR. Note, however, that obtaining an End-Use Certificate does not relieve the exporter from the responsibility of complying with other license requirements set forth elsewhere in the EAR.

(2) *Reexports.* Neither a license nor an End-Use Certificate is required for CW reasons to reexport Schedule 3 chemicals controlled under ECCN 1C350, ECCN 1C355, or ECCN 1C995.b from States Parties to the CWC (destinations listed in Supplement No. 2 to part